SEA Communities of Practice: Identifying Leading Indicators of Success in Charter Schools

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PEGGIE: Good afternoon. This is Peggie Garcia from the National Charter School Resource Center. Welcome to our February webinar, *SEA Communities of Practice: Identifying Leading Indicators of Success in Charter Schools.*

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I'm going to give you just a quick introduction to the platform, and then we're going to go ahead and dive into our presentation. I think most of you who are joining us are familiar with our platform. On the left-hand side, we have a chat window, and you're welcome to enter a chat at any time. Below that, we have a file share window, and I have two documents there. One is the slide presentation that I e-mailed you this morning with the reminder, so you're welcome to download those slides if you didn't have an opportunity to print them out this morning. Then there's also an Annenberg report that Dr. Francis will be referring to in his presentation a little bit later in case you'd like to download that for your reference.

I'm not going to mute everyone today because we have a relatively small group. If you could please use Star 6 or the mute function on your phone to mute your phone, Star 6 will both mute and unmute your line, and there's a little reminder in the participant note box underneath the PowerPoint if you forget. To ask a question, you can either enter a question in the chat at any time or you can raise your hand. We're going to try to save the questions until the end, so we'll have a good 20 minutes at least for questions at the end of the presentation. Some of the slides might be a little bit difficult to read, so if you don't have a printout of the presentation in front of you, you can either download the slides from the file share window or you can use the full screen button on the top right corner. The webinar is being recorded, and an archive will be available on our website by Monday afternoon. I think that's all of the technical pieces.

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We are really pleased to welcome Mark Francis to be with us today. We're going to be starting sort of a slightly new SEA [state education agency] communities of practice series where we're looking at problems of practice, so Dr. Francis has generously agreed to help us kick off this sort of miniseries about problems of practice for SEAs. He's going to describe a problem that they've been grappling with and some potential solutions and how they're dealing with it and really open it up for feedback and how you guys are dealing with leading performance indicators for subgrantees and recommendations you might have for Dr. Francis or protocols or processes that you might be using that could be helpful. We're hoping this can get sort of a dialogue started around problems of practice that are common across grantees.

With that, I'm going to go ahead and introduce Dr. Mark Francis who is the Deputy Associate Superintendent at the Arizona Department of Education. He is the director of the Arizona Charter Schools Incentive Program and has served in a number of different roles in the charter school community, including as a charter liaison for the Arizona Charter Schools Association and as founder and executive director of the Arizona School for the Arts. This was the first charter high school in the United States to be awarded the United States Department of Education Blue Ribbon School of Excellence, so quite an honor. Mark, I'm going to go ahead and turn it over to you. Are you all set?

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MARK: Yes, I am.

PEGGIE: Welcome, thank you.

MARK: Thank you very much, Peggie, for the opportunity to present today. This presentation actually comes out of a conversation that Peggie and I were having at the NACSA [National Association of Charter School Authorizers] conference last fall. Things in Arizona are unique, and they present their own unique problems, and, yet, at the same time, they are issues that affect all of us, so that's what is at the background of this. What I'm going to share about leading indicators as predictors of charter school success, as I said, is based on the Arizona charter

school experience. For you to understand the context of the presentation, I must discuss some unique aspects of charter school authorization in Arizona and how that led me to the search for leading indicators. Unlike other presentations that you'll often see where there's slides of data and the presenter will discuss them, I have to warn you, I'm basically going to read the slides, and then we'll take questions at the end, although there will probably be times where I have to catch my breath. I suppose you could ask is it a leading indicator of success that the presenter is just going to read his slides? We'll let you decide on that.

So, some of the background on charter schools in Arizona. Charter schools were created in 1994. Arizona started authorizing schools in 1995 because of a desire to increase pupil achievement through parent choice. There was enormous state population growth. In fact, up until the recession, Arizona led the nation in overall population growth, and there was a tremendous market demand for additional school seats that played a major role in the Arizona charter approval and review process. In 2012, Arizona now has 400 authorized charter schools with over 500 sites. Most of you are familiar that while you can give a charter it can provide additional sites within that charter.

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Since 1995, the Arizona State Board for Charter Schools [ASBCS] has authorized or assumed authorization management for 99 percent of charter schools in the state. I don't think there's any other state that has that unique experience. Defining charter school quality has been a very challenging process. For much of the first 15 years, schools had to demonstrate market demand, be in overall compliance with the state and federal laws and regulation, and maintain a healthy financial operation for their five- and 10-year reviews. Unlike other states, Arizona actually has a 15-year charter term. That's the length of the contract, so that's the importance of the five- and 10-year reviews. The Arizona State Board for Charter Schools application approval process has gone through numerous iterations to improve quality since 1995.

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Which leads us to the charter school program [CSP] experience here in Arizona. When the charter school staff was brought on board, we didn't really possess a set of leading indicators in our operational quiver. So, it chose to use specific resources to guide its practice. The concept of identifying leading indicators as predictors of charter school success did not fully form as an operational concept until after the first round of applications was approved in early 2010. So, even though we've had charter schools since 1995 in Arizona, we did not actually become a recipient of the SEA CSP grant until 2009.

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There were three resources which guided Arizona charter school inaugural practice. Of course, like all of us, it's what's mandated in 5203, and there is additional guidance provided throughout all the sections of the act. The other thing was the Arizona State Board for Charter Schools authorization application. There really isn't any other authorization application out there because school districts really are not authorizing charter schools in the state of Arizona, even though they actually, by legislation, have the authority to do so. There was one other thing, and that was actually brought in in the way that the administrator job was structured in that that they wanted to bring a person in who had a successful secondary school over a sustained period of time. So, while knowing charter school policy and state and federal law, regulation, and guidance was extremely important, they felt that it was important that a person who has actually gone through the process of building and maintaining and sustaining a charter school over time was very important to them.

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So, practice which guided the original application was really designed, I guess, what you could say the intersection of the following three application domains:

- The quality of the school's academic program
- The quality of the school's operation
- The quality of the school's governance

You can see in the starred sections below, we obviously had other components to the application, but those were the three things that we were looking for in terms of determining overall quality of the application.

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Given all of that, given the history of Arizona authorization, given the number of applicants seeking AZ CSP funding, which is a lot, and given the previous market-based approach to charter school authorizing that we've had, we wanted to know is there a set of leading indicators within the three essential charter school domains—academic program, operation, and governance—that can be identified to predict charter school success.

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If I can get into the purpose of the presentation, it is to:

- Define the term *leading indicator* and how it's used to predict charter school success (because it's not uniform across practice).

- Provide examples of leading indicators of charter school success at the system level (and then the examples are taken from real schools that went through the process).

While they don't necessarily qualify as case studies, they will definitely give you some evidence that we worked from.

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What do we want the outcomes to be? Leading indicators are evidence-based, qualitative indicators which arise from the intersection of the three primary charter school application domains, and also that the process is continuous. Leading indicators are derived from the grant application evaluation process. Leading indicators can be refined following the monitoring process of awarded schools, and leading indicators can be used to improve application and evaluation process.

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I made a simple little graph here—if you see the leading indicators at the very beginning—so, of course, we start with the application, we go through the evaluation process, and then we go into the monitoring. We try to keep those working as closely as possible and looking at is what they said in the application what they're actually doing? Then we go back, and we do critical review for improvement, and by improvement I'm not talking about school improvement, although that certainly is very, very important. We're discussing what that's going to be, but for our own improvement, and so you see it's a continuous cycle. We go from the application to the evaluation to the monitoring to the critical review, and we've gotten to the point now where we will do this even between various sections of what's on this graph.

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I'm hoping that the impact that the presentation will be that we can actually improve the candidate selection process through a refined understanding of leading indicators of system success. It's that word *system* as opposed to just *school* is where I'm going to delineate how the term leading indicators are used.

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Rather than giving you the whodunit at the very end of the book, I'm going to tell you what the first three leading indicators that we have learned from our experience over three years. In the academic program, probably not a big surprise, but we found that the most important one was teacher quality. In the governance accountability, it was actually the instructor accountability, and I'm going to come back to that. Also, in the operation, it was professional development. Many of us think of governance and accountability and operation as sort of business activities, but what we're finding is that they're actually part of one continuous process.

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For a definition of leading indicators and how they're used in various situations, the term *leading indicator* came out of the world of business and finance. Leading indicators are measurable economic facts that change before the economy starts to follow a particular pattern or trend. Certainly, we've been following the economy a lot, and while bond yields are at the front end of looking at the indicator, and because bond traders anticipate and speculate the trends of the economy based on that, and unemployment is a lagging indicator. It's certainly the largest thing that we're looking at right now if you follow the newspapers. It does not predict but rather confirms that a pattern is occurring.

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We're going to see how a lagging indicator in education can be mislabeled as a leading indicator. Because of NCLB's [No Child Left Behind's] emphasis on annual state standardized assessments, many in the profession have built entire school cultures around test taking and view test results as a leading indicator of school success. Particularly, a state's definition of AYP [adequate yearly progress] as it's defined in NCLB must be based primarily on its academic assessments; the results are most definitely an indicator. However, those assessment results are not a leading indicator; they are a lagging indicator because they confirm what has already happened.

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There has been a very important study that actually looked at leading indicators as predictors of student success, and so here at the bottom you'll see their definition. The very best one that I've seen so far, and I'm not an expert in this area, but I like to read a lot of what's going on out there, is *Beyond Test Scores: Leading Indicators for Education*. It was published by the Annenberg Institute for Education Reform, which is actually part of Brown University, has many, many authors, and it was published in 2008. The study examined four different school systems, very large school systems, which adopted the basic premise that to increase student achievement, educators needed to know more about student progress before the test scores (which I identified as

lagging indicators) and before those test scores are available. The authors defined leading indicators as powerful, timely, actionable, benchmarked indicators—in other words, they're numerically measurable, and they provided early signals of progress toward academic achievement.

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There were five of them that they called common indicators, and these are the most measurable:

- Early reading proficiency
- Enrollment in pre-algebra and algebra
- Overage/undercredited students
- College admissions test scores to clarify high school placement
- Student attendance and suspensions

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The harder-to-quantify indicators were special education enrollment, student engagement, and teacher and principal quality, and the reason why they are is those are more qualitative.

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So we ask, if we talk about student success and system success, are the leading indicators the same? Well, let's look at the leading indicators in the Annenberg study. Early reading proficiency meant how many kids were reading for basic comprehension by the end of third grade. The more students that they had doing that, the better long-term results for their school success and their long-term graduation rates. Enrollment in pre-algebra and algebra at the eighth grade was equally a very good predictor of school success and graduation rates. Conversely, overage/undercredited students was a very important measure. These are students who are, maybe, who might be 10 years old but still in the third or maybe the fourth grade or kids who are in the eighth grade who are 15 years of age. They found that the more overage/undercredited students that they had, the greater the dropout rate would be. College admissions test scores to

clarify high school placements—in other words, if we want to have our kids college ready, how do we know? Well, let's actually use college admissions and assess the students, and the more that we have ready…. It seems so obvious when we look at student attendance and suspensions. The more kids that are in class and participating in lessons, and the fewer kids that are suspended and therefore not in class, the more opportunities for learning that we have. So, when I looked at this, is it possible to use a combination of these leading indicators and others to predict the success of schools which do not yet exist?

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I'm saying they are different, that is, leading indicators for predicting student success and system success. Yes, if the leading indicators are qualitative and evidence based, but what I am saying is first we must return to the three application domains to gather evidence.

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So if we go back to Domain 1, the quality of the school's academic program, for the AZ CSP application—again, that stands for Arizona Charter School Program application—the leader applicants must demonstrate knowledge, skill, and capacity in the following three areas:

- Challenging curriculum

- Engaging instruction

- Rigorous assessment

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In Domain 2, they must demonstrate the quality of the school's operation, and by operation we're not merely talking about business finance, their ability to present financial reports of a profit and loss or an income and expense sheet and a balance sheet. How does the school use its resources to strategically support its mission, vision, and values, and by resources, at least here in Arizona, and I'm sure in most other states, you really have to say scarce resources. Then, finally, how do leaders separate the AZ CSP award funds to build operational capacity to accomplish its goals?

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Then Domain 3, the quality of the schools governance. In Arizona, all charter schools authorized by the Arizona State Board for Charter Schools become an autonomous education organization. They don't work through a school district. The governing body of the charter school is solely responsible for the performance outcomes and the business operation of the school. The AZ CSP application places the responsibility of student performance, especially among NCLB-identified subgroups, solely on the shoulders of the governing body, not on a leader, not on any other group, not on any other constituency—it goes solely onto the governing body. Also, they're responsible for the sustainability of the school and the succession plan of key leadership.

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Of course, when we have these applications, we have the challenges that are inherent in the evaluation. Here's some of the things that we've done, and I have to tell you we still haven't gotten to leading indicators yet. The evaluation of each application is an evidence-based process. The AZ CSP staff train evaluators to draw evidence from submitted application responses fairly and objectively based on the following:

- First of all, we take a lot of time and effort so there's full understanding of the criteria used to evaluate the applications.

  - We have a whole rubrics training, and we actually use sample applications so that they can be trained in the rubrics and literally test themselves.

- The second thing is that one of the biggest challenges that everyone has is interrater reliability.

  - One of the ways we've solved that is one of our staff members recently came up with an evaluation graphic organizer for each question that helps evaluators systematically arrange evidence drawn from the application responses.

- Then, finally, the evaluator integrity and reliability.
  - All the people that are involved in this evaluation process have extensive experience in successful charter schools or in charter school authorization or in managing federal grants.

All evaluators sign conflict of interest forms and are trained by the AZ CSP staff for objective, evidence-based evaluation.

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Now we're going to get to what I think is the most important part. Here are examples from successful applications that lead to successful schools. The following examples are from three schools. I'm labeling them School A, B, and C. It's interesting to note that they are selected because they're related to the hard-to-identify leading indicators that we mentioned in the *Beyond Test Scores* study because all the things that were in the *Beyond Test Scores*, their common five indicators, don't exist yet. It's important to observe the examples that first seem to lie mostly within the academic domain. But they strongly overlap the operations and the governance and accountability domains, and that's what I'm going to try to explain in the following examples.

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So let's look at School A. They included examples of teacher quality. School A stated in its application that it would locate in a low socioeconomic status neighborhood with a high percentage of students eligible to receive free or reduced lunch. Newly hired teachers would not just be highly qualified but would be exceptionally qualified and would possess at least two of the following qualities:

- An academic degree in the primary teaching area (they actually have to have that based on our Title II highly qualified teachers)
- At least one year of true prep school teaching experience
- Previously attended or taught at a Great Books program
- A master's or Ph.D. in the primary teaching area

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In the application, we saw School A takes responsibility for building teacher capacity. How did they do that? They talked about their ongoing professional development opportunities. It says in the application the school will provide workshops and seminars for its faculty quarterly. Most teachers will teach four rather than five or six periods per day. The majority of School A faculty will take advantage of summer professional development within the first three years of employment.

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Here's what they said for how their teachers would be evaluated. All teachers are evaluated by the headmaster at least once per semester in their first and second years' teaching at the academy, although they are informally observed with far greater frequency. Number 2, the headmaster's evaluations are tied to meeting school goals and individual objectives for the students and are reflected in the evaluation rubric that is ultimately used to determine the annual performance-based bonus for the teachers.

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Let's look at the School B plan for teacher effectiveness. School B stated in its application that it would locate in a suburban neighborhood. It does not survey its students for economic need. Its goal is to provide a world-class education for its students, and, if you were to ask them informally, they would say they want to go head-to-head with the finest nations in the world, or cities, Singapore, Shanghai.

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Here's what they're doing in teacher recruitment. I know this is going to be a lot to just read, but I want us to take a good look at it. There's a structured interview process, so upon being selected as top candidates, prospective teachers are asked to visit the school and perform a demonstration lesson in which they teach the students for one class period. After their first attempt, the prospective teachers are

given input and advice before teaching a second demonstration lesson. This portion of the interview process helps demonstrate whether the applicant is knowledgeable in the discipline, capable of conveying difficult subject matter to young students and able to learn and adjust quickly to new and demanding situations.

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You can see school B also assumes responsibility for building the teacher's capacity. They offer also ongoing professional development training. Once prospective teachers are hired, regardless of past experience, they all attend a summer training session to prepare for the demands of School B's classrooms. The goal is to give these educated and intelligent individuals autonomy and independence. Holding them accountable for their results generates an environment in which creative individuals can thrive and remain passionate about their work. Other professional development opportunities are offered throughout the year. So, remember, I 'm reading these things directly from their application.

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Now let's look at School C's plan for teacher effectiveness. In its application, School C stated the following about its teachers: "The education partners, like Teach For America, have ensured that [School C] is staffed with teachers who believe in the mission and vision and are working very hard every day to ensure student success." But there are two things that are missing:

- Specific teacher selection beyond the TFA [Teach For America] protocol and process are not presented.

- Newly hired staff training and ongoing professional development planning are not presented in the application.

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Now let's go back and let's see what the monitoring tells us about School A, B, and C. I should say that all three schools were awarded funds, and particularly A and B are completing their third and final year of CSP funding as is also school C. It's actually completing its funding

in its second year. School A, this is really fascinating. It had a very, very difficult first year and had to replace its leader, who lacked capacity to carry out school goals. In fact, they replaced the leader in March. I'm sure you can imagine how disruptive it was. However, it did attract a high-quality faculty, which led to some of the unrest regarding the quality of the school leader. In other words, rather than just the governance looking from the outside looking in so to speak, there was unrest because they had such a high-quality faculty going on there. Now, the new leader came on board and worked with the faculty and its governing body to revise its professional development and make it more aligned to the needs of the students. The new leader of the faculty never tried to hide or cover up its challenges but dealt with them head on.

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Now here's an interesting…. Even though all of this is an important school lagging indicator, its exam results are 25 to 35 percent higher (and the variance is due to subject area and grade level) than its surrounding district schools, even though it serves the same demographic population. It still struggles meeting the goals outlined in its application. However, after only two years of actual operation, over two thirds of its students are at or above grade level as opposed to 50 percent and, frankly, far less in surrounding schools. What we're saying is a critical predictor of success in School A's application was directly related to the quality of its faculty, not only to their content and instructional competence but also their commitment to the school's mission, vision, and values, and these areas overlap with academic program and school operation. The governing board was the one that ultimately held the accountability and let that leader go based on the dissatisfaction from the teachers and is now holding the staff accountable for results as part of its strategic plan.

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In School B, it has become very successful. Its success has brought criticism that it attracts students who are already outstanding; therefore, its success is not due to its operation but to the capacity that students brought with them. It has been accused of cherry picking its

students, and, because its curriculum is so rigorous, the school has been accused of chasing out poorly performing students.

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Well, here's an important lagging indicator in school B. First of all, before I go to the growth percentiles, School B is among the highest scoring students on Arizona state assessments and nationally normed reference tests. What makes School B special is the high growth percentile of its students, which mitigates, or I believe mitigates, the student capacity criticism. Growth percentile is based on the Arizona adoption of the Colorado growth model, and growth percentile reveals that students are showing continuous learning gains and that they are challenged to stretch themselves. A critical predictor of success in School B's application was directly related to the quality of its faculty, not only to their content and instructional competence but also their commitment to the school's mission, vision, and values.

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Here's what the monitoring tells us about School B. Both the school's authorizer and various divisions of Arizona Department of Education have monitored and audited School B on multiple occasions. No, and I repeat no evidence, of unfair admissions practice has been found. No student has been denied a free and appropriate public education. Moreover, the school temporarily modifies certain elements of its curriculum to allow new students to catch up and provides additional instructional support over and above regular classroom instruction to that end.

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What monitoring tells us about School C. School C was awarded its grant because of many other compelling factors that were also present in its application. The leader at School C is a person of high capacity and exceptional fortitude, and it turns out that it is actually outperforming its district schools, similar to School A. But monitoring reveals certain weaknesses in its operation that leading indicators would have predicted.

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Well, what are they, what's missing? Primarily, the school's instructional staff is inconsistent in lesson delivery. Definition and implementation of staff performance standards and how to support the staff in order to meet state standards to ensure student success was not evident in its application, and we're not sure that it's totally evident. We need to visit the school many more times to absolutely confirm that, but so far we haven't really seen it. As a result, some key elements of the instructional methodology identified in the school's application—such as flexible ability grouping, differentiated instruction, Socratic instruction, sophisticated scientific experiments—are not readily evident.

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What else is missing? Well, ultimately, School C wants to improve and has a high-capacity and charismatic leader committed to its success almost by force of will. Now School C is on Track to eventually meet its goals, but not at the rate and level it had described in its application. What I'm saying is the inconsistencies between the school's actual operation and its application overlap all three domains and demonstrate the necessity of leading indicators from a negative argument. At the same time, students in School C significantly outperform their neighborhood district schools. Speaking as a charter school operator, I'm very worried about burnout of that person and how we can provide support for them as to how we can fill these things that are missing and then they can fulfill their goal.

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What I'm really saying is that leading indicators are a work in progress. What we've discovered just looking at these three schools is that teacher quality is a key element or leading indicator of academic program. We would also add with that, but I didn't provide the actual evidence based on that, but also the rigor of the curriculum. Also, the operation would be professional development in that, from the operation standpoint, the school sets aside time and resources to make sure that teachers are immersed in professional development. Then, finally, in the governance and the accountability is that the

governance itself, not just the leader, oftentimes we say the charter school is a leadership-driven enterprise, and in many cases it is. But these schools, particularly A and B, have very, very strong governance, so that accountability just permeates their entire operation.

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So, we have some conclusions. We've learned from three years of applications, application evaluations, and school monitoring that identifying leading indicators is a qualitative, evidence-based process, but the beauty of it is the longer that you do this, the more evidence that you get. Now, you can't necessarily number all of this, but, at some point, you have so much evidence that you can make inferences to make reliable decisions. Predicting the success of a school that does not yet exist is not parallel to quantifiably measurable leading indicators identified in the *Beyond Test Scores* study.

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So, where are we going with leading indicators? They will be confirmed or actually denied through frequent monitoring of the alignment of the school's application with its operation. I have staff here, one particular person, who spends almost exclusively the amount of her time in observing schools. If a consistent body of evidence arising from school practice supports the identification of a leading indicator of school success, it will receive a prominent place in the application and become an important aspect of evaluation, training, and our subsequent monitoring. We're on a continuous improvement cycle.

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There's one final caveat, and this really comes from School C and other experiences. An important element that leading indicators cannot fully predict is the nature of dynamic entrepreneurial leadership. Economists look at this very closely. There are some instances in which leaders can demonstrate knowledge, skill, and capacity that is focused and passionately committed to achieving school goals even though all the pieces (that is, the domains), including leading indicators, are not in place. How we measure that has yet to be attained.

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I'd like to conclude with something that I read many, many years ago, almost a decade ago, that has stayed with me, and this is from Richard Elmore, and it was an article called "Building a New Structure for School Leadership." It's in the Albert Shanker Institute, and it was just right on the eve of NCLB. Many of you may know Professor Elmore and his extraordinary work at the Harvard School of Education. He said, "Public schools and school systems, as they are presently constituted, are simply not led in ways that enable them to respond to the increasing demands they face under standards based reform. Further, if schools, school systems, and their leaders respond to standards based reforms the way they have responded to other attempts at broad scale reform of public education over the past century, they will fail massively and visibly, with an attendant loss of public confidence and serious consequences for public education."

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I do want to say that here's Elmore's assumption, but that I've given his assumption based on those statements, but there was also hope. I want to go to this statement in Number 2. Those schools which "[operate] in an environment of increased attention to student performance and quality of instruction…[and] discover that they need to learn not just different ways of doing things, but very different ways of thinking about the purposes of their work, and the skills and knowledge that go with those purposes." I happen to believe, and I've been through it and now I'm involved in it from a different standpoint, charter schools are uniquely situated to address Elmore's challenge. I believe it's our job to identify these promising charter schools and support them.

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PEGGIE: Thank you so much, Mark. That was fascinating. If you have any questions, please go ahead and speak up. You can raise your hand, or you can enter them in the chat. I think I have just a quick clarifying question. Could you tell us the number of schools that are grantees for the CSP program in Arizona, the number of your staff, and talk a little

bit about the monitoring process? It sounds like you're making quite a few school visits on an annual basis.

MARK: First of all, there are 40 schools that have been awarded since April 1, 2010. Some of those schools were in various levels, some had already been in implementation, so they only received one or two years. Although it was interesting, we already had some feedback on how those schools were doing. The rest of them either went into some form of planning and implementation within their first year or else they were going into planning, or they took a whole year of planning and then went into implementation.

When I first started out, Karen Butterfield, who was the person who put this all together, originally wrote the grant, she's an associate superintendent here, and absolutely instrumental in putting all of this together and the person who brought me on board. There was just me and an assistant to try to get this going. I did have resources here in Arizona Department of Education through other federal grant people and a very close working relationship with the Arizona State Board for Charter Schools—in fact, we worked very, very closely together. That's probably what's unique about Arizona, because we just have this one primary authorizer.

In the second year, we brought a person on, actually, a really wonderful person from the State Board for Charter Schools, and she was absolutely essential in helping us get our monitoring program because she had already had lots of experience working with monitoring. Her name is Martha Morgan, and she has actually gone back to the State Board for Charter Schools, supported by a NACSA grant, in which she is now the director of Charter School Accountability.

I now have two new people that I have brought in, and one of the people has a fascinating background in that she has been on numerous NCA, that is for us the North Central Association, and that is the major accreditation team, so she has a tremendous amount of experience, and she's the person who's primarily charged with going out and visiting these schools. When we visit, we don't just necessarily use our monitoring handbook. She's the one who's going out to multiple visits and doing this. In fact, I just want her to just kind of park

herself out at these schools so we can learn as much as we can about these schools and then bring that information back, discuss them. And one of the big questions we're talking about is, even though there's a school improvement program here, that's for the bottom five percent of schools. Is there a role, when we see things that could help them improve, particularly like School C, what is our role in helping bringing that information to them, and we're in discussions on that right now.

PEGGIE: Great. Bobby has a question that he just entered, but it looks like he just stepped away. I'm going to go ahead and ask it anyway. It looks like he's asking a quantitative question. In business, regression analyses have shown that firm size along with a number of financial ratios can be used as strong predictors of company success and/or bankruptcy. Have you conducted any regression analyses on the indicators that you're proposing to use as leading indicators?

MARK: No, we haven't. We don't have enough evidence yet, but I can tell you also that not all, but the preponderance of our schools are run by charter management organizations who have demonstrated success in other areas. When we evaluate the applications, we put that out. We don't consider that, we look at the individual application.

PEGGIE: Great. So for other people on the phone, we have a number states represented here, are there other indicators that you have found to be predictive of success for your subgrantees? Feel free to speak up; we've got a small group [pause].

PEGGIE: All right. Are there other ways that other people in your monitoring are gathering information about the performance of your subgrantees before you receive information from the statewide assessments? It sounds like, Mark, you've got quite a number of protocols that you use during the actual school visits. Is that right?

MARK: We use protocols for the school visits, but did I understand was this in relationship to the application?

PEGGIE: Right, both the application and the monitoring. Are you gathering leading indicators from both the monitoring and the application, or you're just focused on the application?

MARK: No. Without the monitoring, we can't really see if these leading indicators are valid. What we're looking for is kind of a consistency; is it in the application, the evaluators look at that and train for that, and then we go to the monitoring, and one of the things we do in our training is we would like to be able to take this application and say okay, now please show us an example of this or an example of that. Generally the higher rate of people who are doing what they said [inaudible] has generally proved to be a higher indicator of success. Within the application itself, we're taking actually a great big look at our application right now for a number of reasons. But that would be a different presentation.

PEGGIE: I'm wondering about the impact of this on your practice. It sounds like the three indicators that you've really chosen to focus on are all related to human capital. I'm wondering if you've changed the application process or changed the supports that you provide to schools to really focus on that critical human capital piece.

MARK: That's what we're looking for right now. That is, does our application really affect that human capital piece, and how effective is the organization in marshalling its resources to that end? That's kind of what's leading our look at the application. One of the things that we did is that our people apply online through our grants management program, and it has a separate budget component. So, what I've tried to include is sort of a budget narrative that goes along with that, that really isn't built into the system. One of the things that we want to do now is talk about so that they can be specific not just about what it is that they say they're going to do but how are those budget resources going to be directed. So that really kind of comes out of our leading indicators study and how that would affect that. That's what we're in the process of doing right now.

PEGGIE: All right. If there are other states that have interesting approaches to share related to human capital, it would be great if you could….

MARK: I actually see another question up there. How do schools do with special education services and what are the indicators that have greater impact for special education outcomes? I will tell you that there have been no issues that have been reported to us or complaints that have been filed in regards to special education that have led to any

action, except for one school that was literally just opening and getting off the ground and just had some issues in trying to get their program together for one student who came in with an IEP [individualized education program]. So imagine all the things a school just trying to get off the ground, they're trying to get everything taken…. So we do not see that as a significant program, and the school actually, we made them go through a corrective action plan, and we've received confirmation from our special education office that they are definitely making a very good faith effort to follow through with that student.

I will still say that the quality of the teaching staff to really look at how well are the students learning and to look at all the ways that they can do to improve student learning applies to all aspects to special education, and, believe me, Arizona is known as kind of a fairly cantankerous state—when people are not happy, they sure let us know, at all levels of government. We have received hardly any calls in this particular area, of people being out of compliance or not providing services necessary for a child to access the curriculum under their right for a free and appropriate public education.

PEGGIE: Great. Juana, did you have any follow up? Is there something more specific that you wanted to ask? Are there other experiences that people have had with identifying indicators of success or monitoring that you'd like to share to help Mark and his staff as they progress on their process of developing leading indicators that might be helpful, any lessons learned that you have, any challenges, any recommendations you might offer? It sounds like they've really started a thoughtful process, but I think any input that we can get from other SEA colleagues would be really helpful. Mark, if you could talk a little bit about, a little bit more in detail about how you gather the evidence through site visits, desk audits, etcetera.

MARK: We try to make at least…. We first started out with the idea of making three visits per year. The first one was just going to be kind of a getting to know you, show us your school, and that we're not auditors per se. We have to have compliance. Then what happened, and this is where Martha Morgan did such a fabulous job for us, was in developing a really good monitoring handbook that covered the three areas of business and finance and of the academic program, and in governance. So we use that. That's separate from what this one staff

person, Jane Smooty, is doing who is just literally parking herself daily at charter school after charter school, trying to really learn and understand what's going on there. Yes, there's the compliance element that goes through in the official monitoring handbook, so everybody gets that once every year, but I would say with the addition of this staff person, this is where we're really getting a strong feel for what actually happens in these schools.

PEGGIE: Great. Is the handbook that Martha developed, is that available on your website?

MARK: Martha, you're out there some place, is it? I don't think it is, but we'll be glad to put it up if there's interest in that.

PEGGIE: Yes, I think if you wouldn't mind sharing that, I think it's always helpful for states to use something like that as a good example that they can then adapt to their own context. Margaret wants a little more clarification about what you mean by parking herself? Does she spend a week at a school, does she spend two days at each school, what does that mean in terms of…?

MARK: She will spend a whole day at a school, but she won't go like two, three, or four days. She'll go to a different school. We like to have about two or three visits before we actually get to the actual monitoring, formal monitoring of the academic program.

PEGGIE: With 40 charter schools, she's busy. We're getting to the end of our time here. I want to make sure I give a little bit more time for questions, for any recommendations you might have for Mark and his team, any questions that you've been considering. I'll just leave a little bit of awkward wait time. If you have any questions, please go ahead and speak up or write a question in the chat before we close out today. Juana says, "I am learning the greater the effort to reflect how the application will look for all students targeted for services the better prepared they are to respond to the barriers they will face for the successful implementation of services. I developed an application rubric to reflect around special education requirements that seems to be helpful." Juana, that would be great if you could share that.

MARK: Yes.

PEGGIE: If you could send that to me via e-mail, and ideally we can post the handbook and Juana's rubric on our website when we post the archive of this webinar. I think the more that we can start to share materials and documents amongst each other will be really helpful.

MARK: I would really emphasize what Juana just mentioned in that area. It's generally the better the school, the far better their special education program is going to be. They just don't want to have any weak areas that could compromise their overall program.

PEGGIE: Right. With that, this has been incredibly helpful. I would like to thank Dr. Francis and his team at the Arizona charter school program and all of you for joining us. If you have future ideas for webinars that we'll do probably four or five times a year, just with the SEA group, so future ideas for problems of practice that we can explore, someone can sort of start us off with a really thoughtful presentation like Mark just delivered today, and then we can really get into a discussion and share some tools like you all have started to do. I think it might be really helpful to help build this community.

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            We will post an archive of the webinar on our website by Monday afternoon at the latest. All of you, I believe, will be at the meeting of SEA project directors in DC next week, so we encourage you to continue this conversation in person. We also have a charter schools program exchange set up for SEA grantees, so you're welcome to continue the discussion through the exchange, and that website is right there. I'm going to send you in a moment to an evaluation to provide us with some feedback so that you can provide us with ideas for future webinars and how we can get better in the future. Thank you so much, everyone, for joining us, and again thank you to Dr. Francis and his team. It was really a wonderful webinar, thank you.

MARK: Thank you very much.